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5 June 1954

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: National Estimates on Trends in Indochina.

1. On 3 June 1954 there appeared in the New York Times an article by Hanson Baldwin which among other things said:

Recently our intelligence estimates of Indochina have erred badly; we expected Dienbienphu to hold out longer than it did, and the redeployment of the Vietminh Armies into the Red River delta area has occurred much faster than expected.

2. The national intelligence record on the two specific points made by Mr. Baldwin follows:

a. How long Dienbienphu would hold:

This question was not dealt with in any NIE. However an assumption that DBP would hold out longer than it did underlay an estimate of when VM forces committed at DBP would be available for major operations elsewhere. Thus in NIE 63-54, para. 2, we concluded that "The fall of DBP would not in itself substantially alter the relative military capabilities of French Union and Viet Minh forces in Indochina during the next two or three months" i.e., until late June or late July.

b. How fast VM forces would be redeployed to the Delta:

This question was dealt with in two NIE's.

NIE 63-54, para. 11, stated that "prior to the rainy season" the redeployment of VM forces from DBP to the Delta "would require at least three to four weeks" after the fall of DBP. This has proven to be accurate.

NIE 63-54, "Consequences within Indochina of the Fall of Dien Bien Phu", had as its basic assumption the fall of DBP and was dated 28 April. DBP actually fell on 7 May.

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Para. 11 also stated that "After the full onset of the rainy season, which is unlikely before mid-May, the movement would take between two and three months to complete."

However, para. 2 of the Conclusions rested in part on the built-in estimate (or implicit assumption) that the fall of DBF was not imminent and hence that DBF would not fall until after the onset of the rainy season.

We therefore concluded "That the bulk of the Viet Minh forces released by the fall of Dien Bien Phu would probably not be able to move, regroup, and re-equip in time to be employed in new major operations during the next two or three months, although some lightly equipped infantry battalions might be made available more rapidly for operations in the Delta region."

These errors in military judgment -- underestimating VC capabilities and overestimating French initiative -- were corrected in NIE 63-3-54* produced after the actual fall of DBF. Therein we stated that "The major portion of the forces at Dien Bien Phu with their heavy equipment could not assemble in the Delta area before 7-15 June, although . . . lightly equipped units could complete the movement by 31 May."

3. Attached are verbatim excerpts from NIE's and ONE memoranda produced since early 1952. (Tab "A" and Tab "B") These excerpts bear directly on Mr. Baldwin's general statement that "Recently our intelligence estimates of Indochina have erred badly. . ."

4. On looking over NIE production since early 1952 we conclude that the intelligence community has fully and repeatedly analyzed the major trends. The projections of these trends have been borne out by events to a remarkable degree. On the other hand, certain analyses of tactical trends have not stood up as well and in some cases have been contradicted by events.

*"Probable Military and Political Developments in Indochina over the Next 30 Days", dated 20 May.

25X1 5. In short, on certain narrow military questions, where the community had to rely principally on the judgment of a single agency [redacted], we have at times been wrong. However, on broad political and military questions, where the judgment of the entire community could be brought to bear, the estimates have been sound, and the policy maker put on notice well in advance of events.

[redacted]
Acting Assistant Director
National Estimates

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25X1 ONE [redacted]
25X1 Orig & 3 to DCI
1 to [redacted]
1 to [redacted]
1 to Reading Room
1 to AD/NE

EXCERPTS FROM NIE'S ON INDOCHINA

I. PROJECTION OF MAJOR TRENDS

A. NIE 35/1: Probable Developments in Indochina through mid-1952 (3 March 1952)

1. We believe that the French will continue their war effort in Indochina during the period of this estimate. However, while insisting upon the protection of French interests, the French will attempt to limit their commitments in Indochina by demanding additional US financial assistance and by seeking commitments for US-UK military support in the defense of Indochina. (Paragraph 1)

2. Through mid-1952, the probable outlook in Indochina is one of gradual deterioration of the Franco-Vietnamese military position. We believe that the Viet Minh will make some territorial gains, but will not score a decisive victory during the period of this estimate. (Paragraph 6)

3. The longer term outlook is for continued improvement in the combat effectiveness of the Viet Minh and an increased Viet Minh pressure against the Franco-Vietnamese defenses. Unless present trends are reversed, this growing pressure, coupled with the difficulties which France may continue to face in supporting major military efforts in both Europe and Indochina, may lead to an eventual French withdrawal from Indochina. (Paragraph 7).

B. NIE 35/2: Probable Developments in Indochina through mid-1953 (29 August 1952)

4. The outlook in Indochina through mid-1953 is for continued stalemate, with both sides playing a waiting game. We believe that the French Union forces may make some slight territorial gains, but will not win a decisive victory during this period. (Paragraph 1)

5. We believe that France will seek to conduct a "holding action." The French have apparently come to believe that they can no longer achieve a military decision in Indochina and that the Indochina problem can only be solved within the context of some form of over-all settlement in the Far East, perhaps following the Korean war. (Paragraph 3)

6. However, we estimate that if present trends continue, the difficulties which France will face in supporting major military efforts in both Europe and Indochina and in maintaining its position in North Africa, will in the longer run weaken the French Union's ability and determination to continue resistance in Indochina. (Paragraph 6)

C. NIE 91: Probable Developments in Indochina through mid-1954 (4 June 1953)

7. Unless there is a marked improvement in the French Union military position in Indochina, political stability in the Associated States and popular support of the French Union effort against the Viet Minh will decline. We believe that such marked improvement in the military situation is not likely, though a moderate improvement is possible. The over-all French Union position in Indochina therefore will probably deteriorate during the period of this estimate. (Paragraph 1)

8. The lack of French Union military successes, continuing Indochinese distrust of ultimate French political intentions, and popular apathy will probably continue to prevent a significant increase in Indochinese will and ability to resist the Viet Minh. (Paragraph 2)

9. We cannot estimate the impact of the new French military leadership. However, we believe that the Viet Minh will retain the military initiative and will continue to attack territory in the Tonkin delta and to make incursions into areas outside the delta. . . . (Paragraph 3)

10. If present trends in the Indochinese situation continue through mid-1954, the French Union political and military position may subsequently deteriorate very rapidly. (Paragraph 8)

D. NIE 63/1: Probable Short-Term Developments in French Policy (24 November 1953)

11. In Indochina, we believe that even if the Laniel-Navarre Plan is successful the French do not expect to achieve a complete military victory in Indochina and probably aim only at improving their position sufficiently to negotiate a political settlement. (Paragraph 7)

12. If no negotiations take place within the next 18 months, France would probably continue its effort in Indochina,

provided that: (a) the US assumed virtually the total financial burdens of the war; (b) the planned buildup of Vietnam forces permitted reduction of French forces; (c) the Indochina states remained in the French Union; and (d) France continued to receive US support for its position in Europe and North Africa. (Paragraph 8)

13. If the above French conditions were not largely satisfied France would probably propose UN intervention or direct military participation by the US. Failing in this, France would probably seek in time to negotiate directly with the Communists for terms which would permit withdrawal with minimum loss. (Paragraph 9)

II. TACTICAL MILITARY JUDGMENTS

E. NIE 91: Probable Developments in Indochina through mid 1954 (4 June 1953)

14. Militarily, the Viet Minh are unlikely to expand greatly their armed forces because they are already experiencing manpower difficulties. Their combat efficiency probably will increase, however, as the result of a modest augmentation of their unit firepower and a steady improvement in staff planning and coordination of forces. The Viet Minh probably will continue to receive a steady flow of material assistance from the Chinese Communists, and the amount may increase at any time. The Viet Minh do not have, and probably cannot develop within the period of this estimate, the capability to make such effective use of heavy equipment - artillery, armor, and aircraft - from the Chinese Communists as to permit successful attacks against strong concentrations of regular French forces. Over a longer period, however, a great increase in Viet Minh capabilities, including the development of an air force, is possible. (Paragraph 32)

F. NIE 63-54: Consequences Within Indochina of the Fall of Dien Bien Phu (28 April 1954)

15. The fall of Dien Bien Phu would not in itself substantially alter the relative military capabilities of French Union and Viet Minh forces in Indochina during the next two or three months unless there were large-scale desertions from the French Union forces. The victorious Viet Minh troops at Dien Bien Phu would have suffered heavy casualties and their efficiency would be reduced. In order to bring these forces up to full strength, the Viet Minh would probably move them from Dien Bien Phu to their main supply and training areas adjacent to the Red

River delta. Prior to the rainy season, this redeployment would require at least three to four weeks. After the full onset of the rainy season, which is unlikely before mid-May, the movement would take between two and three months to complete. We therefore estimate that the bulk of the Viet Minh troops at Dien Bien Phu would not be available for major operations elsewhere in Indochina during the next two or three months, although some lightly-equipped infantry battalions might be made available more rapidly for operations in the Delta region. (Paragraph 11)

G. NIE 63-3-54: Probable Military and Political Developments in Indochina over the Next 30 Days (20 May 1954)

16. If major units now at Dien Bien Phu are redeployed as rapidly as possible, the Viet Minh can within the next 30 days attain a capability for launching a heavy assault against French positions in the Delta. Preparations are now being made for moving the bulk of the Viet Minh units from Dien Bien Phu toward their bases in the Delta area, and there are indications that redeployment has begun. We believe that approximately one division will remain initially in the vicinity of Dien Bien Phu. The major portion of the forces at Dien Bien Phu with their heavy equipment could not assemble in the Delta area before 7-15 June, although it is believed that their lightly-equipped units could complete the movement by 31 May. However, the gradual increase in intensity of rains during the month of June, combined with French aerial attacks on Route 41, may slow down the movement. (Paragraph 4)

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EXCERPTS FROM RECENT O/NE MEMORANDA ON INDOCHINA

I. PROJECTION OF MAJOR TRENDS

A. Memorandum of AD/NE for DCI of 25 May 1953: "NIE-91: Probable Developments in Indochina"

1. The central point of the estimate is that the French have lost the initiative. Possibly General Navarre can recapture the initiative; but when the whole picture is examined - in France as well as locally - this seems unlikely. Therefore we expect the French Union position to deteriorate. If it does deteriorate through mid-1954, subsequently it may decline very rapidly. (Paragraph 2)

B. Memorandum of AD/NE for DCI of 30 June 1953: "Possible Major Shifts in French Policy"

2. Above all, France's determination to maintain its position in Indochina is seriously weakening, and a major shift in France's Indochina policy may soon take place. The Korean truce will almost certainly stimulate French demands for some settlement of the Indochina war. At the same time, the deteriorating French financial situation and France's awareness that Indochina outlays are undermining its European position vis-a-vis Germany create increasing pressures for a cutback of Indochina costs. Therefore, unless there is soon a clear improvement in the Indochina outlook, we believe that there will be a serious political reaction in France. While the French probably would not abruptly pull out of Indochina, they might, in increasing desperation, turn to policies (such as negotiation with the Communists and/or reduction of French forces) which would endanger the Western position in all Southeast Asia. (Paragraph 7)

C. O/NE Staff Memorandum No. 1-54 of 11 January 1954: "Military Developments in Indochina"

3. Military developments in Indochina are rapidly approaching a critical stage. It is entirely possible that the events of the next several weeks will mark a decisive turning point in the Indochina war. (Paragraph 1)

4. It is not possible to predict either the military courses of action which the VM and the French will select or the military outcome of such courses once undertaken. We believe, however, that an authentic and considerable military victory in Indochina in coming weeks is necessary in order both to ease present pressures in Paris for a negotiated settlement and to prevent a decline in the French military position. In our opinion, if a military stand-off should emerge from the present situation at Dien Bien Phu and in Laos the French will have suffered a strategic defeat, although not technically a military defeat. Moreover, if during the remainder of the present fighting season

the French are able to do no more than continue the stalemate, the pressure in France for a negotiated settlement will continue to grow. (Paragraph 9)

D. Memorandum of AD/NE for DCI of 9 February 1954: "Current Outlook in Indochina"

5. However, in order to check the presently growing defeatist trend in France, the French must achieve some military successes during the present season. We consider it unlikely that during the remainder of this fighting season the French can achieve sufficient military successes to check this trend. We believe therefore that by the end of the season in late spring pressures in France for added relief from the burdens of the war will greatly increase. In this situation, it is possible that the French will declare that the only alternative to negotiation with the Communists is direct military participation by allied forces. (Paragraph)

E. Memorandum of AD/NE for DCI of 24 March 1954: "The Probable Outcome at Dien Bien Phu and its Implications"

6. The battle of Dien Bien Phu, coming just prior to the Geneva conference, has assumed a psychological and political importance in France and the US which is disproportionate to its military importance. Because of the keen interest of the French press and people in the battle, it is probable that a major French defeat at Dien Bien Phu would set off a public clamor for immediate cessation of the war in Indochina. If this occurred, however, Laniel would probably be able to survive the immediate crisis by promising that his government would undertake at Geneva to reach a diplomatic settlement of the Indochina war. In the meantime, the French would continue the war in Indochina. The will of the Vietnamese to continue the war, although weakened by a French disaster at Dien Bien Phu, would probably not be shattered. (Paragraph 4)

II. TACTICAL MILITARY JUDGMENTS

F. O/NE Staff Memorandum No. 378 of 4 August 1953: "Military Developments in Indochina"

7. Viet Minh capabilities for supporting extensive and sustained offensive operations in the coming fighting season are now probably greater than ever before. As a result of augmented Chinese Communist assistance, the status of training, equipment, and stockpiling is believed to be at an all-time high. Moreover, Viet Minh

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over-all strength has been enhanced by an increasing consolidation of the Viet Minh position within the Tonkin Delta, and by the psychological benefits accruing from the successful Laotian campaign of last April. (Paragraph 5)

G. Memorandum of AD/NE for DCI of 24 March 1954: "The Probable Outcome at Dien Bien Phu and its Implications"

8. The outcome of the battle at Dien Bien Phu remains in doubt, but we believe on the basis of information presently available that the French will be able to hold. . . . The all-out Viet Minh attacks on this prepared position have, in fact, given the French command the opportunity they have long awaited to engage the enemy in force. (Paragraph 1)

9. The over-all French military position in Indochina will probably not be decisively affected by the outcome at Dien Bien Phu. Even if the Viet Minh were to wipe out the French force at Dien Bien Phu, the French losses relative to their over-all strength would be a fraction of those the Viet Minh would almost certainly sustain. We estimate that the Viet Minh would have to sacrifice roughly half of their total striking force in Indochina in order to achieve such a victory at Dien Bien Phu. On the other hand, the French do not stand to advance their military position greatly unless they are able to grind up the bulk of the Viet Minh attacking force at Dien Bien Phu. (Paragraph 3)

10. We believe it likely, however, that the outcome at Dien Bien Phu will be inconclusive and that the French, although retaining their hold on the position, will be effectively contained for some time to come by the Viet Minh forces. (Paragraph 5)

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